

6/28/10

L-150-10 vaz

(Special Meeting)

RESOLUTION NO. 150-10

BY: **SCOTT M. TUMA**  
(By Request – Mayor)

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A PETITION AND APPROVAL OF THE PETITION, ARTICLES OF INCORPORATION, AND INITIAL PLAN OF THE CITY OF CLEVELAND-FIRST SUBURBS DEVELOPMENT COUNCIL AND ADVANCED ENERGY SPECIAL IMPROVEMENT DISTRICT, AND DECLARING AN EMERGENCY

WHEREAS, Ohio law was amended by Ohio House Bill 1 of the 128th General Assembly, effective October 15, 2009, to authorize the creation of Special Improvement Districts (District) under Chapter 1710 of the Ohio Revised Code to allow property owners to assess themselves to pay costs of developing and implementing plans for public improvements and public services that benefit the District, including as provided for in Ohio House Bill 1, special energy improvement projects which are defined in Ohio House Bill 1 to mean “any property, device, structure or equipment necessary for the acquisition, installation, equipping and improvement of any real or personal property used for the purpose of creating a solar photo voltaic project or a solar thermal energy project, whether such real or personal property is publicly or privately owned;” and

WHEREAS, Specifically, Chapter 1710 of the Ohio Revised Code provides that a District may be created by petition of the owners of real property within the proposed District, no District may include any property of federal or state government or a county, township or municipal corporation, unless the county, township or municipal corporation specifically requests in writing that the property be included in the District, and that Ohio House Bill 1 further provides that any District created may contain non-contiguous parcels of real property if all parcels of real property included in the District contain at least one special energy improvement project and 100% of the owners of the parcels of real property in the District sign a petition requesting inclusion in the District, District boundaries can include parcels of real property located in multiple municipal corporations or townships, so long as each of the municipal corporations or townships is contiguous to one another; and

WHEREAS, Adoption of this legislation represents the first legislative step in the process of creating the City of Cleveland-First Suburbs Development Council Advanced Energy Special Improvement District (hereinafter referred to as the “Advanced Energy District”), which will likely be the first Ohio House Bill 1 special improvement district created under the amendments to Chapter 1710 of the Revised Code and which may be the first or one of the first multi-jurisdictional urban-first ring suburban property assessed clean energy (PACE) programs in the United States; and

WHEREAS, The Mayors and the Economic Development Directors of the City of Cleveland and member communities of the First Suburbs Consortium Development Council are requesting Parma City Council to approve the creation of the Advanced

Energy District and a pilot program to be marketed to commercial and industrial property owners within the City of Parma and each of the participating municipal corporations in the Advanced Energy District that will (i) provide commercial and industrial property owners who desire to generate electricity on their properties the ability to pursue long term special assessment financing, (ii) use Ohio House Bill 1 authority to permit these property owners to participate in various federal and state grant and tax incentives that will lower the property owner's electric utility bills; (iii) lower the carbon footprint of the region; and (iv) create economies of scale through joining with other participating municipal corporations to achieve results listed in items (i) through (iii); and

WHEREAS, In order to create a common Plan for the development of special energy improvement projects in the Advanced Energy District and achieve certain economies of scale needed to lower special energy improvement project financing costs, the Mayors and Economic Development Directors of each of the City of Cleveland and the participating contiguous member communities of the First Suburbs Consortium Development Council are requesting that each municipal corporation wishing to participate in the Advanced Energy District join the Advanced Energy District as initial members, and to do this each City Council is being requested to approve the development of a demonstration special energy improvement project that will be located on land owned by the participating municipal corporation and then approve the execution and delivery of a Petition that requests in writing that the municipally owned real property where the special energy improvement project will be developed be included in the Advanced Energy District, and by each participating municipal corporation becoming the initial members of the District and approving the same Plan, special energy improvement projects developed by commercial-industrial property owners in each City participating in the Advanced Energy District will be able to join the Advanced Energy District to develop their special energy improvement projects according to one Advanced Energy District plan approved by each participating municipal corporation and the City Councils of each of the City of Cleveland and the participating member communities of the First Suburbs Consortium Development Council will be considering a similar resolution, and the costs of developing and financing special energy improvement projects and providing services to and operating the Advanced Energy District are anticipated to be assessed to the commercial-industrial property owners developing special energy improvement projects in the District and will not be financed with general obligation bonds of the City of Parma; and

WHEREAS, Ohio Revised Code (§§1710 et seq.) requires that each legislative body desiring to create the Advanced Energy District act on a petition within 60 days of the submission of such petition, thus, this Resolution therefore authorizes the execution and delivery of a Petition by the City to develop a demonstration special energy improvement project and further requests in writing for municipal real property where the demonstration special energy improvement project will be developed be included in the Advanced Energy District, and This Resolution also requests approval by the City; of the Petition, the Articles of Incorporation, and the Plan, which approvals will permit special energy improvement projects developed in the Advanced Energy District to be developed according to one single plan that has been approved by each participating municipal corporation, and the Petition submitted to City Council for approval will be submitted for approval by each participating municipal corporation in the Advanced Energy District.

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NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PARMA, STATE OF OHIO:

Section 1. That the City of Parma hereby approves the execution and delivery of a Petition, a copy of which is on file with the Clerk of Council. The Petition has been or will be executed and delivered by the City, the City of Cleveland, Ohio and those member communities of the First Suburbs Consortium Development Council that will be participating municipal corporations in the Advanced Energy District and include or will include a listing of parcels of real property owned by each participating municipal corporation in the Advanced Energy District as identified by permanent parcel number. The short name of the special improvement district created pursuant to the Petition and this Resolution will be the "City of Cleveland-First Suburbs Development Council Advanced Energy Special Improvement District" and the name of the special improvement district for purposes of filing the Articles of Incorporation of the special improvement district with the Ohio Secretary of State will be as provided for in Section 2 hereof. The Petition represents the request in writing of the City of Parma for inclusion into the Advanced Energy District of certain real property owned by the City as well as the request in writing of each participating municipal corporation in the Advanced Energy District for inclusion of real property owned by that participating municipal corporation into the Advanced Energy District. A demonstration special energy improvement project will be developed by the City and each participating municipal corporation on the parcels of real property included in the Advanced Energy District. The City will pay costs of developing the demonstration special energy improvement project on real property owned by the City in the amount of \$ 50.00 using City funds donated to the City or appropriated for such purpose by the City. The Mayor is hereby authorized to execute and deliver the Petition on behalf of the City in substantially the form on file with the Clerk of Council, together with such revisions and additions as are approved by the Director of Law as being consistent with the objectives and requirements of this Resolution, including the addition of the names and related information of those member communities of the First Suburbs Consortium Development Council that have or will execute, deliver and approve the Petition and Plan of the Advanced Energy District as participating municipal corporations, all of which shall be conclusively evidenced by the execution and delivery of the Petition by said officers.

Section 2. That the City of Parma hereby approves the Petition submitted to the City as provided for in Section 1 hereof and further approves the Articles of Incorporation of the City of Cleveland-First Suburbs Development Council Advanced Energy Special Improvement District in substantially the form now on file with the Clerk of Council and included with said Petition, together with such revisions and additions to the Articles of Incorporation as are approved by the Director of Law as being consistent with the objectives and requirements of this Resolution, including such revisions to the Articles of Incorporation to reflect the participating municipal corporations in the Advanced Energy District, which approval by the Director of Law shall be conclusively evidenced by a certificate executed by the Director of Law approving the Articles of Incorporation as being in accordance with this Resolution. The Clerk of Council is hereby authorized to file or cause to be filed a copy of the Articles of Incorporation, the approval of the Director of Law and a copy of this Resolution with the Ohio Secretary of State.

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Section 3.      That this Council hereby appoints the person who is the duly appointed Economic Development Director of the City of Parma to the board of directors of the City of Cleveland-Advanced Energy Special Improvement District.

Section 4.      That the City of Parma hereby approves the Plan for the City of Cleveland-First Suburbs Development Council Advanced Energy Special Improvement District submitted to Parma City Council on June 28, 2010 included with said Petition ("Initial Plan") and finds that the public services and public improvements of said Initial Plan will benefit the Advanced Energy District and the environment.

Section 5.      That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council; and that all deliberations of the Council and any of its committees that resulted in such formal action were meetings open to the public in compliance with all legal requirements.

Section 6.      That this Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare of the City of Parma, and for the further reason that this measure is necessary to ensure the prompt payment to vendors for purchases made by the City, and this Resolution shall become immediately effective upon receiving the affirmative vote of two-thirds of all members elected to Council and approval of the Mayor, otherwise from and after the earliest period allowed by law.

PASSED:\_\_\_\_\_

\_\_\_\_\_  
PRESIDENT OF COUNCIL

ATTEST:\_\_\_\_\_

CLERK OF COUNCIL

APPROVED:\_\_\_\_\_

FILED WITH  
THE MAYOR:\_\_\_\_\_

\_\_\_\_\_  
MAYOR, CITY OF PARMA, OHIO